

**COUNCIL BUDGET SESSION  
CITY OF WATERTOWN  
June 7, 2010  
6:00 P.M.**

**MAYOR JEFFREY E. GRAHAM PRESIDING**

**PRESENT:**           COUNCIL MEMBER ROXANNE M. BURNS  
                  COUNCIL MEMBER JOSEPH M. BUTLER, JR.  
                  COUNCIL MEMBER JEFFREY M. SMITH  
                  MAYOR GRAHAM

**ABSENT:**           COUNCIL MEMBER TERESA R. MACALUSO

**ALSO PRESENT:**   MARY M. CORRIVEAU, CITY MANAGER

**City staff present: Bob Cleaver, Jim Mills, Gary Pilon, Kurt Hauk, Michael Lumbis, Gene Hayes**

Mayor Graham opened the budget session.

Council Member Butler asked that the amount of \$100,000 in the contingency fund for cost overruns be eliminated and that the 1.5% raise for management and the Council also be eliminated from the contingency account.

Council Member Smith asked why Council's raise amount was put in the contingency fund and not as a line item, like the Mayor's was.

Mrs. Corriveau explained that the Mayor had requested the amount be placed in the budget. However, there had been no request from the Council to do so and it had not been approved.

Mayor Graham remarked that none of the management increases were broken out in the budget document.

Mrs. Corriveau explained that the monies in this fund also include the 457 benefits. She also explained that, on an annual basis, it is hard to tell what individuals will exercise their right to sell the days for these benefits. She also explained that the \$100,000 in the account is not just for cost overruns, but could be used for poor performance, gas price fluctuation or in the past, the price of road salt.

Council Member Butler remarked that we are taxing people at a slightly higher level and he feels that this is what the fund balance is for.

Mayor Graham mentioned a number of ways to change the tax rate if that is what Council Member Butler wished to do.

Mrs. Corriveau referred to the report from Mr. Mills concerning Moody's Investors Service and the fact that they are comfortable with where we are now.

Council Member Smith proposed not giving Council a raise.

Mayor Graham remarked that this had been discussed last week.

Council Member Butler proposed eliminating the 1.5% to zero.

Council Member Burns commented that this would only be a savings of \$880.

Council Member Butler responded that it was the principal of it.

Council Member Burns asked what principal that was.

Council Member Butler commented that Council is asking the taxpayers to pay more in taxes but giving themselves a raise. He remarked that he would like to see no raises.

Council Member Burns responded that at the last meeting, she proposed cuts that would actually have had an impact on the tax rate. However, she didn't have the support. However, she doesn't understand eliminating the 1.5% raise. She explained that she compromised on the management raises at 1.5% because she felt that they should be 1%. She remarked that it is not fair to put this on the backs of management. She stated that no one has phoned her to tell her that Council is acting capriciously. She stated that it is not fair to take raises away from management. She also stated that she hasn't heard anybody on Council say that the unions weren't getting raises. Concerning legislative raises, Council Member Burns remarked that she is looking toward the future when the present Council isn't sitting here and nothing precludes members of this council giving the money back to the City.

Mayor Graham commented that they had 20 years of no increases for Council. He also commented that he agreed with Council Member Burns in that she did make suggestions to cut the budget.

Council reviewed the Moody's report and concurred to amend the general fund to reflect the savings of \$20,000 in principal and interest.

### **J B Wise Report**

Council reviewed Mr. Hauk's report and the options that it contained. Mr. Hauk and Mr. Hayes answered questions posed by Council concerning the bid numbers, overtime and what work would be deferred if City crews were used.

After discussion, Mayor Graham commented that Council has to decide if they really want to do this project or not.

Mrs. Corriveau advised that if Council wants to bid it this year, it has to be done very quickly. She advised that the City has invested \$215,000 of which \$75,000 was provided by the grant.

The budget session ended at 6:45 to allow Council to move into the adjourned meeting.

**Donna M. Dutton**

City Clerk